

CLASS "A" OR "B"

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WATER AND/OR WASTEWATER UTILITIES
(Gross Revenue of More Than \$200,000 Each)

ANNUAL REPORT

OF

WU671-08-AR
Sherlock S. Gillet, Jr
Peoples Water Service Company of Florida, Inc.
409 Washington Avenue, Suite 310
Towson, MD 21204-4971

Certificate Number(s)

Submitted To The

STATE OF FLORIDA



FOR THE

YEAR ENDED DECEMBER 31, 2008

RECEIVED
FLORIDA PUBLIC SERVICE
COMMISSION
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DEPARTMENT OF
ECONOMIC REGULATION

GENERAL INSTRUCTIONS

1. Prepare this report in conformity with the 1996 National Association of Regulatory Utility Commissioners Uniform System of Accounts for Water and/or Wastewater Utilities (USOA).
2. Interpret all accounting words and phrases in accordance with the USOA.
3. Complete each question fully and accurately, even if it has been answered in a previous annual report. Enter the word "None" where it truly and completely states the fact.
4. For any question, section, or page which is not applicable to the respondent, enter the words "Not Applicable." Do not omit any pages.
5. Where dates are called for, the month and day should be stated as well as the year.
6. All schedules requiring dollar entries should be rounded to the nearest dollar unless otherwise specifically indicated.
7. Complete this report by means which result in a permanent record, such as by computer or typewriter.
8. If there is not enough room on any schedule, an additional page or pages may be added, provided the format of the added schedule matches the format of the schedule with not enough room. Such a schedule should reference the appropriate schedules, state the name of the utility, and state the year of the report.
9. If it is necessary or desirable to insert additional statements for the purpose of further explanation of schedules, such statement should be made at the bottom of the page or an additional page inserted. Any additional pages should state the name of the utility, the year of the report, and reference the appropriate schedule.
10. For water and wastewater utilities with more than one rate group and/or system, water and wastewater pages should be completed for each rate group and/or system group. These pages should be grouped together and tabbed by rate group and/or system.
11. All other water and wastewater operations not regulated by the Commission and other regulated industries should be reported as "Other than Reporting Systems."
12. Financial information for multiple systems charging rates which are covered under the same tariff should be reported as one system. However, the engineering data must be reported by individual system.
13. For water and wastewater utilities with more than one system, one (1) copy of workpapers showing the consolidation of systems for the operating sections, should be filed with the annual report.
14. The report should be filled out in quadruplicate and the original and two copies returned by March 31, of the year following the date of the report. The report should be returned to:

**Florida Public Service Commission
Division of Economic Regulation
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850**

The fourth copy should be retained by the utility.

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EXECUTIVE SUMMARY

CERTIFICATION OF ANNUAL REPORT


I HEREBY CERTIFY, to the best of my knowledge and belief:

- | | | |
|--|--------------------------------|--|
| YES
<input checked="" type="checkbox"/> | NO
<input type="checkbox"/> | 1. The utility is in substantial compliance with the Uniform System of Accounts prescribed by the Florida Public Service Commission. |
| YES
<input checked="" type="checkbox"/> | NO
<input type="checkbox"/> | 2. The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission. |
| YES
<input checked="" type="checkbox"/> | NO
<input type="checkbox"/> | 3. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices that could have a material effect on the the financial statement of the utility. |
| YES
<input checked="" type="checkbox"/> | NO
<input type="checkbox"/> | 4. The annual report fairly represents the financial condition and results of operations of the respondent for the period presented and other information and statements presented in the the report as to the business affairs of the respondent are true, correct and complete for the period for which it represents. |

Items Certified			
1.	2.	3.	4.
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>


 _____ President
 (Signature of Chief Executive Officer of the utility) *

1.	2.	3.	4.
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>


 _____ Treasurer
 (Signature of Chief Financial Officer of the utility) *

* Each of the four items must be certified YES or NO. Each item need not be certified by both officers. The items being certified by the officer should be indicated in the appropriate area to the left of the signature.

NOTICE: Section 837.06, Florida Statutes, provides that any person who knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his duty shall be guilty of a misdemeanor of the second degree.

ANNUAL REPORT OF

YEAR OF REPORT
December 31, 2008

Peoples Water Service Company of Florida, Inc.
(Exact Name of Utility)

County: Escambia

List below the exact mailing address of the utility for which normal correspondence should be sent:

Peoples Water Service Company of Florida, Inc.
409 Washington Avenue, Suite 310
Towson, Maryland 21204

Telephone: 410-825-3722

E Mail Address: sgillet@peopleswater.net or aboehk@peopleswater.net

WEB Site: _____

Sunshine State One-Call of Florida, Inc. Member Number PWSCO

Name and address of person to whom correspondence concerning this report should be addressed:

Sherlock S. Gillet Jr, Vice-President or Anthony A. Boehk, Treasurer
Peoples Water Service Company of Florida, Inc.
409 Washington Avenue, Suite 310
Towson, Maryland 21204
Telephone: 410-825-3722

List below the address of where the utility's books and records are located:

Corporate records and general ledger are located at: 409 Washington Ave., Suite 310, Towson, MD 21204
Detail consumers accounts and operational data are located at: 905 Lownde Avenue, Pensacola, FL 32507
Telephone: 410-825-3722 (MD) or 850-455-8552 (FL)

List below any groups auditing or reviewing the records and operations:

Stoy, Malone & Company, P.C.

Date of original organization of the utility: May 1, 1995

Check the appropriate business entity of the utility as filed with the Internal Revenue Service

Individual Partnership Sub S Corporation 1120 Corporation

List below every corporation or person owning or holding directly or indirectly 5% or more of the voting securities of the utility:

	Name	Percent Ownership
1.	<u>The Peoples Water Service Company</u>	<u>100%</u>
2.	_____	_____
3.	_____	_____
4.	_____	_____
5.	_____	_____
6.	_____	_____

**DIRECTORY OF PERSONNEL WHO CONTACT
THE FLORIDA PUBLIC SERVICE COMMISSION**

NAME OF COMPANY REPRESENTATIVE (1)	TITLE OR POSITION (2)	ORGANIZATIONAL UNIT TITLE (3)	USUAL PURPOSE FOR CONTACT WITH FPSC
Sherlock S. Gillet	President	Towson, Maryland	Finance & Operations
Sherlock S. Gillet Jr.	Vice President	Towson, Maryland	Finance & Operations
Anthony A. Boehk	Treasurer	Towson, Maryland	Accounting & Finance
R. Mark Cross	Manager	Pensacola, Florida	Customers & Operations
Robert A. Emmanuel	Attorney	850-433-6581	Legal Matters
F. Marshall Deterding	Attorney	850-877-6555	Accounting & Legal Matters
Martin S. Friedman	Attorney	850-877-6555	Accounting & Legal Matters

(1) Also list appropriate legal counsel, accountants and others who may not be on general payroll.
 (2) Provide individual telephone numbers if the person is not normally reached at the company.
 (3) Name of company employed by, if not on general payroll.

COMPANY PROFILE

Provide a brief narrative company profile which covers the following areas:

- A. Brief company history.
- B. Public services rendered.
- C. Major goals and objectives.
- D. Major operating divisions and functions.
- E. Current and projected growth patterns.
- F. Major transactions having a material effect on operations.

The Peoples Water Service Company ("Parent Company") was formed in 1929 to operate as an investor-owned public water utility. Having acquired several water plants in the southeastern states, the Company acquired a franchise in 1937 to provide water service to residential and commercial customers in the Warrington suburb of Pensacola in Escambia County, Florida.

Prior to May 1, 1995, the Warrington Plant was operated as a separate division of The Peoples Water Service Company. Corporate offices are located in Towson, Baltimore County, Maryland.

A wholly-owned subsidiary, Water Treatment & Controls Company, sells, installs and services water and wastewater treatment equipment and related accessories to/for commercial, industrial, and municipal customers located in the southern states.

CORPORATE REORGANIZATION

The Parent Company reorganized its operations on May 1, 1995. All of the assets and liabilities of the Warrington Plant operating as a public water utility in Pensacola, Florida, were transferred to a new Florida corporation, Peoples Water Service Company of Florida, Inc., a wholly-owned subsidiary of the Parent Company.

Peoples Water Service Company of Maryland, Inc., a wholly-owned subsidiary of the Parent Company, provides management and administrative support services to the operating subsidiaries and divisions of the Parent, including Peoples Water Service Company of Florida, Inc.

The enclosed financial statements represent the statement of financial condition and the results of operations of Peoples Water Service Company of Florida, Inc.

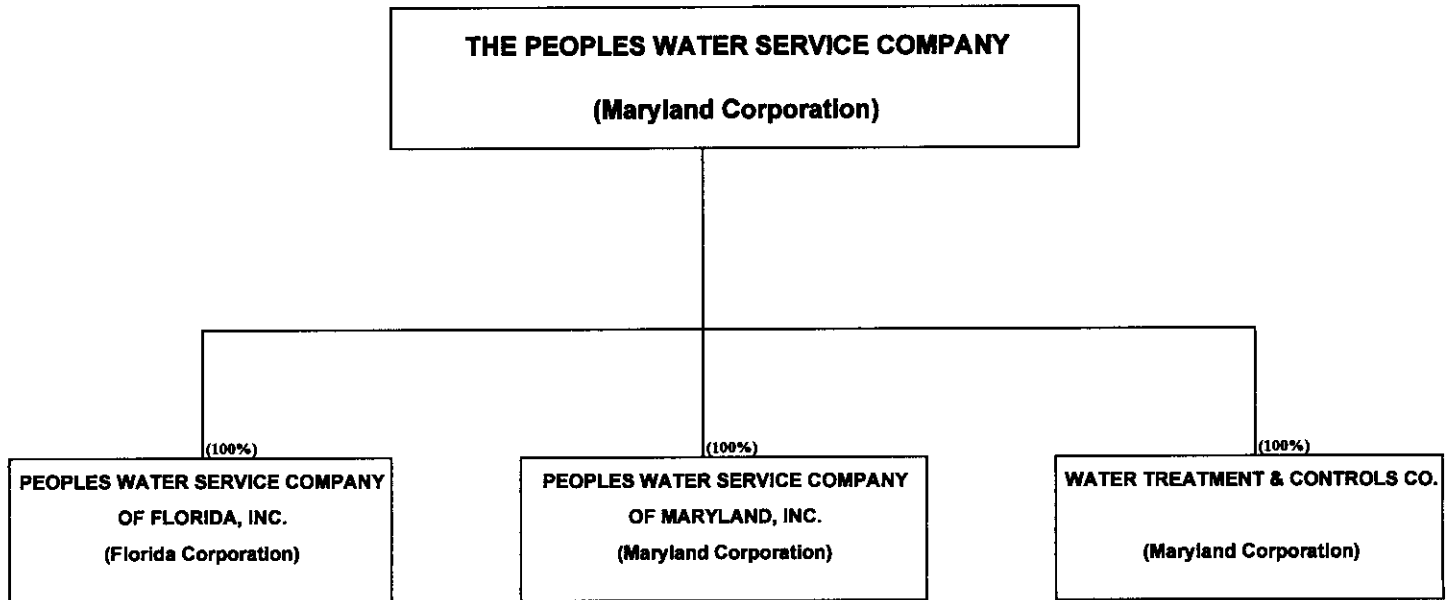
PARENT / AFFILIATE ORGANIZATION CHART

Current as of _____ December 31, 2008

Complete below an organizational chart that shows all parents, subsidiaries and affiliates of the utility.
The chart must also show the relationship between the utility and affiliates listed on E-7, E-10(a) and E-10(b).

Organizational Chart is Attached as Page E-5 (b)

THE PEOPLES WATER SERVICE COMPANY AND SUBSIDIARIES
ORGANIZATIONAL CHART



COMPENSATION OF OFFICERS

For each officer, list the time spent on respondent as an officer compared to time spent on total business activities and the compensation received as an officer from the respondent.			
NAME (a)	TITLE (b)	% OF TIME SPENT AS OFFICER OF THE UTILITY (c)	OFFICERS' COMPENSATION (d)
Sherlock S. Gillet	President	29%	\$ 167,185
Sherlock S. Gillet Jr.	Vice President	29%	\$ 135,400
Anthony A. Boehk	Controller	29%	\$ 27,600

COMPENSATION OF DIRECTORS

For each director, list the number of directors' meetings attended by each director and the compensation received as a director from the respondent.			
NAME (a)	TITLE (b)	NUMBER OF DIRECTORS' MEETINGS ATTENDED (c)	DIRECTORS' COMPENSATION (d)
Sherlock S. Gillet	Director	1	\$ 0
Sherlock S. Gillet Jr.	Director	1	\$ 0
			\$

BUSINESS CONTRACTS WITH OFFICERS, DIRECTORS AND AFFILIATES

List all contracts, agreements, or other business arrangements* entered into during the calendar year (other than compensation related to position with Respondents) between the Respondent and officer and director listed on page E-6. In addition, provide the same information with respect to professional services for each firm, partnership, or organization with which the officer or director is affiliated.

NAME OF OFFICER, DIRECTOR OR AFFILIATE (a)	IDENTIFICATION OF SERVICE OR PRODUCT (b)	AMOUNT (c)	NAME AND ADDRESS OF AFFILIATED ENTITY (d)
Peoples Water Service Company of Maryland, Inc.	Management Fees	\$ 541,449	409 Washington Ave Suite 310 Towson, Maryland 21204
Peoples Water Service Company of Maryland, Inc.	Computer Service	\$ 176,934	409 Washington Ave Suite 310 Towson, Maryland 21204
Water Treatment & Controls Company	Equipment, Parts & Service	\$ 40,584	409 Washington Ave Suite 310 Towson, Maryland 21204

* Business Agreement, for this schedule, shall mean any oral or written business deal which binds the concerned parties for products or services during the reporting year or future years. Although the Respondent and/or other companies will benefit from the arrangement, the officer or director is, however, acting on his behalf or for the benefit of other companies or persons.

AFFILIATION OF OFFICERS AND DIRECTORS

For each of the officials listed on page E-6, list the principal occupation or business affiliations or connections with any other business or financial organizations, firms, or partnerships. For purposes of this part, an official will be considered to have an affiliation with any business or financial organization, firm or partnership in which he is an officer, director, trustee, partner, or a person exercising similar functions.

NAME (a)	PRINCIPAL OCCUPATION OR BUSINESS AFFILIATION (b)	AFFILIATION OR CONNECTION (c)	NAME AND ADDRESS OF AFFILIATION OR CONNECTION (d)
Sherlock S. Gillet	President/Director		The Peoples Water Service Co. Towson, Maryland
Sherlock S. Gillet	President/Director		Water Treatment & Controls Co. Towson, Maryland
Sherlock S. Gillet	President/Director		Peoples Water Service Company of Maryland, Inc. Towson, Maryland
Sherlock S. Gillet Jr.	Vice President/Director		The Peoples Water Service Co. Towson, Maryland
Sherlock S. Gillet Jr.	Vice President		Water Treatment & Controls Co. Towson, Maryland
Sherlock S. Gillet Jr.	Vice President/Director		Peoples Water Service Company of Maryland, Inc. Towson, Maryland
Anthony A. Boehk	Controller		The Peoples Water Service Co. Towson, Maryland
Anthony A. Boehk	Controller		Water Treatment & Controls Co. Towson, Maryland
Anthony A. Boehk	Controller		Peoples Water Service Company of Maryland, Inc. Towson, Maryland

UTILITY NAME: Peoples Water Service Company of Florida, Inc.

BUSINESS TRANSACTIONS WITH RELATED PARTIES (Cont'd)

Part II. Specific Instructions: Sale, Purchase and Transfer of Assets

1. Enter in this part all transactions relating to the purchase, sale, or transfer of assets

2. Below are examples of some types of transactions to include
 -purchase, sale or transfer of equipment
 -purchase, sale or transfer of land and structures
 -purchase, sale or transfer of securities
 -noncash transfers of assets
 -noncash dividends other than stock dividends
 -write-off of bad debts or loans

3. The columnar instructions follow:
 (a) Enter name of related party or company
 (b) Describe briefly the type of assets purchased, sold or transferred
 (c) Enter the total received or paid. Indicate purchase with "P" and sale with "S"
 (d) Enter the net book value for each item reported
 (e) Enter the net profit or loss for each item reported. (column (c) - column (d))
 (f) Enter the fair market value for each item reported. In space below or in a supplement schedule, describe the basis used to calculate fair market value

NAME OF COMPANY OR RELATED PARTY (a)	DESCRIPTION OF ITEMS (b)	SALE OR PURCHASE PRICE (c)	NET BOOK VALUE (d)	GAIN OR LOSS (e)	FAIR MARKET VALUE (f)
See Page E-7		\$ _____	\$ _____	\$ _____	\$ _____
		\$ _____	\$ _____	\$ _____	\$ _____
		\$ _____	\$ _____	\$ _____	\$ _____
		\$ _____	\$ _____	\$ _____	\$ _____
		\$ _____	\$ _____	\$ _____	\$ _____
		\$ _____	\$ _____	\$ _____	\$ _____
		\$ _____	\$ _____	\$ _____	\$ _____
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		\$ _____	\$ _____	\$ _____	\$ _____
		\$ _____	\$ _____	\$ _____	\$ _____
		\$ _____	\$ _____	\$ _____	\$ _____
		\$ _____	\$ _____	\$ _____	\$ _____
		\$ _____	\$ _____	\$ _____	\$ _____

E-10(b)

FINANCIAL SECTION

**COMPARATIVE BALANCE SHEET
ASSETS AND OTHER DEBITS**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
UTILITY PLANT				
101-106	Utility Plant	F-7	\$ 12,300,218	\$ 12,780,398
108-110	Less: Accumulated Depreciation and Amortization	F-8	6,365,254	6,532,450
Net Plant			\$ 5,934,964	\$ 6,247,948
114-115	Utility Plant Acquisition adjustment (Net)	F-7		0
116 *	Other Utility Plant Adjustments			
Total Net Utility Plant			\$ 5,934,964	\$ 6,247,948
OTHER PROPERTY AND INVESTMENTS				
121	Nonutility Property	F-9	\$	\$
122	Less: Accumulated Depreciation and Amortization			
Net Nonutility Property			\$ 0	\$ 0
123	Investment in Associated Companies	F-10		
124	Utility Investments	F-10		
125	Other Investments	F-10	1,125	0
126-127	Special Funds	F-10		
Total Other Property & Investments			\$ 1,125	\$ 0
CURRENT AND ACCRUED ASSETS				
131	Cash		\$ 58,502	\$ 113,829
132	Special Deposits	F-9		
133	Other Special Deposits	F-9		
134	Working Funds		6,000	6,000
135	Temporary Cash Investments			
141-144	Accounts and Notes Receivable, Less Accumulated Provision for Uncollectible Accounts	F-11	57,989	31,284
145	Accounts Receivable from Associated Companies	F-12		
146	Notes Receivable from Associated Companies	F-12		
151-153	Material and Supplies		50,461	48,903
161	Stores Expense			
162	Prepayments		31,562	34,540
171	Accrued Interest and Dividends Receivable			
172 *	Rents Receivable			
173 *	Accrued Utility Revenues		245,972	248,260
174	Miscellaneous Current and Accrued Assets	F-12	12,337	5,114
Total Current and Accrued Assets			\$ 462,823	\$ 487,930

* Not Applicable for Class B Utilities

F-1(a)

**COMPARATIVE BALANCE SHEET
ASSETS AND OTHER DEBITS**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
	DEFERRED DEBITS			
181	Unamortized Debt Discount & Expense	F-13	\$ _____	\$ _____
182	Extraordinary Property Losses	F-13	_____	_____
183	Preliminary Survey & Investigation Charges		_____	_____
184	Clearing Accounts		_____	_____
185 *	Temporary Facilities		_____	_____
186	Miscellaneous Deferred Debits	F-14	_____	_____
187 *	Research & Development Expenditures		_____	_____
190	Accumulated Deferred Income Taxes		_____	_____
	Total Deferred Debits		\$ _____ 0	\$ _____ 0
	TOTAL ASSETS AND OTHER DEBITS		\$ _____ 6,398,912	\$ _____ 6,735,878

* Not Applicable for Class B Utilities

NOTES TO THE BALANCE SHEET

The space below is provided for important notes regarding the balance sheet

**COMPARATIVE BALANCE SHEET
EQUITY CAPITAL AND LIABILITIES**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
EQUITY CAPITAL				
201	Common Stock Issued	F-15	\$ 100	\$ 100
204	Preferred Stock Issued	F-15		
202,205 *	Capital Stock Subscribed			
203,206 *	Capital Stock Liability for Conversion			
207 *	Premium on Capital Stock			
209 *	Reduction in Par or Stated Value of Capital Stock			
210 *	Gain on Resale or Cancellation of Reacquired Capital Stock			
211	Other Paid - In Capital		2,627,503	2,627,503
212	Discount On Capital Stock			
213	Capital Stock Expense			
214-215	Retained Earnings	F-16	540,401	569,728
216	Reacquired Capital Stock			
218	Proprietary Capital (Proprietorship and Partnership Only)			
Total Equity Capital			\$ 3,168,004	\$ 3,197,331
LONG TERM DEBT				
221	Bonds	F-15		
222 *	Reacquired Bonds			
223	Advances from Associated Companies	F-17		
224	Other Long Term Debt	F-17		
Total Long Term Debt			\$ 0	\$ 0
CURRENT AND ACCRUED LIABILITIES				
231	Accounts Payable		286,652	263,257
232	Notes Payable	F-18		
233	Accounts Payable to Associated Companies	F-18		
234	Notes Payable to Associated Companies	F-18		
235	Customer Deposits		112,740	111,520
236	Accrued Taxes	W/S-3	98,975	84,998
237	Accrued Interest	F-19	3,761	3,946
238	Accrued Dividends			
239	Matured Long Term Debt			
240	Matured Interest			
241	Miscellaneous Current & Accrued Liabilities	F-20	114,318	66,579
Total Current & Accrued Liabilities			\$ 616,446	\$ 530,300

* Not Applicable for Class B Utilities

F-2(a)

**COMPARATIVE BALANCE SHEET
EQUITY CAPITAL AND LIABILITIES**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
DEFERRED CREDITS				
251	Unamortized Premium On Debt	F-13	\$ _____	\$ _____
252	Advances For Construction	F-20	_____	_____
253	Other Deferred Credits	F-21	_____	_____
255	Accumulated Deferred Investment Tax Credits			
Total Deferred Credits			\$ <u>0</u>	\$ <u>0</u>
OPERATING RESERVES				
261	Property Insurance Reserve		\$ _____	\$ _____
262	Injuries & Damages Reserve		_____	_____
263	Pensions and Benefits Reserve		_____	_____
265	Miscellaneous Operating Reserves			
Total Operating Reserves			\$ <u>0</u>	\$ <u>0</u>
CONTRIBUTIONS IN AID OF CONSTRUCTION				
271	Contributions in Aid of Construction	F-22	\$ 3,824,525	\$ 4,255,227
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	1,465,448	1,560,948
Total Net CIAC			\$ <u>2,359,077</u>	\$ <u>2,694,279</u>
ACCUMULATED DEFERRED INCOME TAXES				
281	Accumulated Deferred Income Taxes - Accelerated Depreciation		\$ 255,385	\$ 313,968
282	Accumulated Deferred Income Taxes - Liberalized Depreciation		_____	_____
283	Accumulated Deferred Income Taxes - Other			
Total Accumulated Deferred Income Tax			\$ <u>255,385</u>	\$ <u>313,968</u>
TOTAL EQUITY CAPITAL AND LIABILITIES			\$ <u>6,398,912</u>	\$ <u>6,735,878</u>

COMPARATIVE OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR * (e)
UTILITY OPERATING INCOME				
400	Operating Revenues	F-3(b)	\$ 3,172,656	\$ 3,048,381
469, 530	Less: Guaranteed Revenue and AFPI	F-3(b)		
Net Operating Revenues			\$ 3,172,656	\$ 3,048,381
401	Operating Expenses	F-3(b)	\$ 2,217,110	\$ 2,223,816
403	Depreciation Expense:	F-3(b)	\$ 448,999	\$ 466,949
	Less: Amortization of CIAC	F-22	87,431	95,500
Net Depreciation Expense			\$ 361,568	\$ 371,449
406	Amortization of Utility Plant Acquisition Adjustment	F-3(b)		
407	Amortization Expense (Other than CIAC)	F-3(b)		
408	Taxes Other Than Income	W/S-3	320,945	303,861
409	Current Income Taxes	W/S-3	104,428	74,622
410.1	Deferred Federal Income Taxes	W/S-3		
410.1	Deferred State Income Taxes	W/S-3		
411.1	Provision for Deferred Income Taxes - Credit	W/S-3		
412.1	Investment Tax Credits Deferred to Future Periods	W/S-3		
412.1	Investment Tax Credits Restored to Operating Income	W/S-3		
Utility Operating Expenses			\$ 3,004,051	\$ 2,973,748
Net Utility Operating Income			\$ 168,605	\$ 74,633
469, 530	Add Back: Guaranteed Revenue and AFPI	F-3(b)		
413	Income From Utility Plant Leased to Others		1,800	1,800
414	Gains (losses) From Disposition of Utility Property			
420	Allowance for Funds Used During Construction			
Total Utility Operating Income [Enter here and on Page F-3(c)]			\$ 170,405	\$ 76,433

* For each account, Column e should agree with Columns f, g and h on F-3(b)

COMPARATIVE OPERATING STATEMENT (Cont'd)

WATER SCHEDULE W-3 * (f)	WASTEWATER SCHEDULE S-3 * (g)	OTHER THAN REPORTING SYSTEMS (h)
\$ 3,048,381	\$ 0	\$
\$ 3,048,381	\$ 0	\$ 0
\$ 2,223,816	\$ 0	\$
466,949	0	
95,500	0	
\$ 371,449	\$ 0	\$ 0
	0	
	0	
303,861	0	
74,622	0	
	0	
	0	
	0	
	0	
	0	
\$ 2,973,748	\$ 0	\$ 0
\$ 74,633	\$ 0	\$ 0
	0	
1,800	0	
	0	
	0	
\$ 76,433	\$ 0	\$ 0

* Total of Schedules W-3 / S-3 for all rate groups.

COMPARATIVE OPERATING STATEMENT (Cont'd)

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
Total Utility Operating Income [from page F-3(a)]			\$ 170,405	\$ 76,433
OTHER INCOME AND DEDUCTIONS				
415	Revenues-Merchandising, Jobbing, and Contract Deductions		\$	\$
416	Costs & Expenses of Merchandising Jobbing, and Contract Work			
419	Interest and Dividend Income		2,876	478
421	Nonutility Income		79,317	58,496
426	Miscellaneous Nonutility Expenses			
Total Other Income and Deductions			\$ 82,193	\$ 58,974
TAXES APPLICABLE TO OTHER INCOME				
408.2	Taxes Other Than Income		\$	\$
409.2	Income Taxes		29,077	27,238
410.2	Provision for Deferred Income Taxes			
411.2	Provision for Deferred Income Taxes - Credit			
412.2	Investment Tax Credits - Net			
412.3	Investment Tax Credits Restored to Operating Income			
Total Taxes Applicable To Other Income			\$ 29,077	\$ 27,238
INTEREST EXPENSE				
427	Interest Expense	F-19	\$ 5,660	\$ 3,842
428	Amortization of Debt Discount & Expense	F-13		
429	Amortization of Premium on Debt	F-13		
Total Interest Expense			\$ 5,660	\$ 3,842
EXTRAORDINARY ITEMS				
433	Extraordinary Income		\$	\$
434	Extraordinary Deductions			
409.3	Income Taxes, Extraordinary Items			
Total Extraordinary Items			\$ 0	\$ 0
NET INCOME			\$ 217,861	\$ 104,327

Explain Extraordinary Income:

SCHEDULE OF YEAR END RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WATER UTILITY (d)	WASTEWATER UTILITY (e)
101	Utility Plant In Service	F-7	\$ 12,773,008	\$ 0
	Less:			
	Nonused and Useful Plant (1)			
108	Accumulated Depreciation	F-8	6,532,450	0
110	Accumulated Amortization	F-8		0
271	Contributions in Aid of Construction	F-22	4,255,227	0
252	Advances for Construction	F-20		
Subtotal			\$ 1,985,331	\$ 0
272	Add: Accumulated Amortization of Contributions in Aid of Construction	F-22	1,560,948	0
Subtotal			\$ 3,546,279	\$ 0
114	Plus or Minus: Acquisition Adjustments (2)	F-7	0	0
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	0	0
	Working Capital Allowance (3)		(97,997)	0
	Other (Specify): _____ _____ _____			
RATE BASE			\$ 3,448,282	\$ 0
NET UTILITY OPERATING INCOME			\$ 76,433	\$ 0
ACHIEVED RATE OF RETURN (Operating Income / Rate Base)			2.22%	0.00%

NOTES :

- (1) Estimate based on the methodology used in the last rate proceeding.
- (2) Include only those Acquisition Adjustments that have been approved by the Commission.
- (3) Calculation consistent with last rate proceeding.
In absence of a rate proceeding, Class A utilities will use the Balance Sheet Method and Class B Utilities will use the One-eighth Operating and Maintenance Expense Method.

**SCHEDULE OF CURRENT COST OF CAPITAL
CONSISTENT WITH THE METHODOLOGY USED IN THE LAST RATE PROCEEDING (1)**

CLASS OF CAPITAL (a)	DOLLAR AMOUNT (2) (b)	PERCENTAGE OF CAPITAL (c)	ACTUAL COST RATES (3) (d)	WEIGHTED COST (c x d) (e)
Common Equity	\$ 0	0.00%		0.00%
Preferred Stock	0	0.00%		0.00%
Long Term Debt	0	0.00%		0.00%
Customer Deposits	0	0.00%		0.00%
Tax Credits - Zero Cost	0	0.00%		0.00%
Tax Credits - Weighted Cost	0	0.00%		0.00%
Deferred Income Taxes	0	0.00%		0.00%
Other (Explain)	0	0.00%		0.00%
	0	0.00%		0.00%
Total	\$ <u>0</u>	<u>0.00%</u>		<u>0.00%</u>

(1) If the utility's capital structure is not used, explain which capital structure is used.

(2) Should equal amounts on Schedule F-6, Column (g).

(3) Mid-point of the last authorized Return On Equity or current leverage formula if none has been established.

Must be calculated using the same methodology used in the last rate proceeding using current annual report year end amounts and cost rates.

APPROVED RETURN ON EQUITY

Current Commission Return on Equity:	_____
Commission order approving Return on Equity:	_____

APPROVED AFUDC RATE

COMPLETION ONLY REQUIRED IF AFUDC WAS CHARGED DURING YEAR

Current Commission Approved AFUDC rate:	_____
Commission order approving AFUDC rate:	_____

If any utility capitalized any charge in lieu of AFUDC (such as interest only), state the basis of the charge, an explanation as to why AFUDC was not charged and the percentage capitalized.

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**UTILITY PLANT
ACCOUNTS 101 - 106**

ACCT. NO. (a)	DESCRIPTION (b)	WATER (c)	WASTEWATER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
101	Plant Accounts: Utility Plant In Service	\$ 12,773,008	\$ 0		\$ 12,773,008
102	Utility Plant Leased to Other				
103	Property Held for Future Use				
104	Utility Plant Purchased or Sold				
105	Construction Work in Progress	7,390			7,390
106	Completed Construction Not Classified				
	Total Utility Plant	\$ 12,780,398	\$ 0	\$ 0	\$ 12,780,398

**UTILITY PLANT ACQUISITION ADJUSTMENTS
ACCOUNTS 114 AND 115**

Report each acquisition adjustment and related accumulated amortization separately.
For any acquisition adjustments approved by the Commission, include the Order Number.

ACCT. NO. (a)	DESCRIPTION (b)	WATER (c)	WASTEWATER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
114	Acquisition Adjustment				0
					0
					0
					0
	Total Plant Acquisition Adjustments	\$ 0	\$ 0	\$ 0	\$ 0
115	Accumulated Amortization				0
					0
					0
					0
	Total Accumulated Amortization	\$ 0	\$ 0	\$ 0	\$ 0
	Net Acquisition Adjustments	\$ 0	\$ 0	\$ 0	\$ 0

UTILITY NAME: Peoples Water Service Company of Florida, Inc.

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ACCUMULATED DEPRECIATION (ACCT. 108) AND AMORTIZATION (ACCT. 110)

DESCRIPTION (a)	WATER (b)	WASTEWATER (c)	OTHER THAN REPORTING SYSTEMS (d)	TOTAL (e)
ACCUMULATED DEPRECIATION				
Account 108				
Balance first of year	\$ 6,365,254	\$	\$	\$ 6,365,254
Credit during year:				
Accruals charged to:				
Account 108.1 (1)	\$ 466,949	\$	\$	\$ 466,949
Account 108.2 (2)				
Account 108.3 (2)				
Other Accounts (specify):				
Salvage				
Other Credits (Specify):				
Loss on Disposal of Assets	31,858			31,858
Total Credits	\$ 498,807	\$ 0	\$ 0	\$ 498,807
Debits during year:				
Book cost of plant retired	331,611			331,611
Cost of Removal				
Other Debits (specify):				
Total Debits	\$ 331,611	\$ 0	\$ 0	\$ 331,611
Balance end of year	\$ 6,532,450	\$ 0	\$ 0	\$ 6,532,450
ACCUMULATED AMORTIZATION				
Account 110				
Balance first of year	\$ 0	\$	\$	\$ 0
Credit during year:				
Accruals charged to:				
Account 110.2 (3)				0
Other Accounts (specify):				0
				0
				0
Total credits	\$ 0	\$ 0	\$ 0	\$ 0
Debits during year:				
Book cost of plant retired				0
Other debits (specify):				0
				0
Total Debits	\$ 0	\$ 0	\$ 0	\$ 0
Balance end of year	\$ 0	\$ 0	\$ 0	\$ 0

- (1) Account 108 for Class B utilities.
- (2) Not applicable for Class B utilities.
- (3) Account 110 for Class B utilities.

**REGULATORY COMMISSION EXPENSE
AMORTIZATION OF RATE CASE EXPENSE (ACCOUNTS 666 AND 766)**

DESCRIPTION OF CASE (DOCKET NO.) (a)	EXPENSE INCURRED DURING YEAR (b)	CHARGED OFF DURING YEAR	
		ACCT. (d)	AMOUNT (e)
_____	\$ _____	_____	\$ _____
_____	_____	_____	_____
_____	_____	_____	_____
Total	\$ <u>0</u>		\$ <u>0</u>

NONUTILITY PROPERTY (ACCOUNT 121)

Report separately each item of property with a book cost of \$25,000 or more included in Account 121.

Other Items may be grouped by classes of property.

DESCRIPTION (a)	BEGINNING YEAR (b)	ADDITIONS (c)	REDUCTIONS (d)	ENDING YEAR BALANCE (e)
_____	\$ _____	\$ _____	\$ _____	\$ _____ 0
_____	_____	_____	_____	_____ 0
_____	_____	_____	_____	_____ 0
_____	_____	_____	_____	_____ 0
Total Nonutility Property	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>

SPECIAL DEPOSITS (ACCOUNTS 132 AND 133)

Report hereunder all special deposits carried in Accounts 132 and 133.

DESCRIPTION OF SPECIAL DEPOSITS (a)	YEAR END BOOK COST (b)
SPECIAL DEPOSITS (Account 132): _____ _____ _____	\$ _____ _____ _____
Total Special Deposits	\$ <u>0</u>
OTHER SPECIAL DEPOSITS (Account 133): _____ _____ _____	\$ _____ _____ _____
Total Other Special Deposits	\$ <u>0</u>

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**INVESTMENTS AND SPECIAL FUNDS
ACCOUNTS 123 - 127**

Report hereunder all investments and special funds carried in Accounts 123 through 127.

DESCRIPTION OF SECURITY OR SPECIAL FUND (a)	FACE OR PAR VALUE (b)	YEAR END BOOK COST (c)
INVESTMENT IN ASSOCIATED COMPANIES (Account 123): _____ _____ _____ _____	\$ _____ _____ _____ _____	\$ _____ _____ _____ _____
Total Investment in Associated Companies		\$ <u>0</u>
UTILITY INVESTMENTS (Account 124): _____ _____ _____ _____	\$ _____ _____ _____ _____	\$ _____ _____ _____ _____
Total Utility Investment		\$ <u>0</u>
OTHER INVESTMENTS (Account 125): _____ _____ _____ _____	\$ _____ _____ _____ _____	\$ _____ _____ _____ _____
Total Other Investment		\$ <u>0</u>
SPECIAL FUNDS (Class A Utilities: Accounts 126 and 127; Class B Utilities: Account 127): _____ _____ _____ _____		\$ _____ _____ _____ _____
Total Special Funds		\$ <u>0</u>

ACCOUNTS AND NOTES RECEIVABLE - NET
ACCOUNTS 141 - 144

Report hereunder all accounts and notes receivable included in Accounts 141, 142, and 144. Amounts included in
Amounts included in Accounts 142 and 144 should be listed individually.

DESCRIPTION (a)		TOTAL (b)
CUSTOMER ACCOUNTS RECEIVABLE (Account 141):		
Water	\$ 31,284	
Wastewater		
Other		
Total Customer Accounts Receivable		\$ 31,284
OTHER ACCOUNTS RECEIVABLE (Account 142):		
_____	\$ _____	

Total Other Accounts Receivable		\$ 0
NOTES RECEIVABLE (Account 144):		
_____	\$ _____	

Total Notes Receivable		\$ 0
Total Accounts and Notes Receivable		\$ 31,284
ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS (Account 143)		
Balance first of year	\$	
Add: Provision for uncollectibles for current year	\$	
Collection of accounts previously written off		
Utility Accounts		
Others		
Total Additions	\$ 0	
Deduct accounts written off during year:		
Utility Accounts		
Others		
Total accounts written off	\$ 0	
Balance end of year		\$ 0
TOTAL ACCOUNTS AND NOTES RECEIVABLE - NET		\$ 31,284

ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES
ACCOUNT 145

Report each account receivable from associated companies separately.

DESCRIPTION (a)	TOTAL (b)
_____	\$ _____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
Total	\$ <u>0</u>

NOTES RECEIVABLE FROM ASSOCIATED COMPANIES
ACCOUNT 146

Report each note receivable from associated companies separately.

DESCRIPTION (a)	INTEREST RATE (b)	TOTAL (c)
_____	_____ %	\$ _____
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____
Total		\$ <u>0</u>

MISCELLANEOUS CURRENT AND ACCRUED ASSETS
ACCOUNT 174

DESCRIPTION - Provide itemized listing (a)	BALANCE END OF YEAR (b)
Miscellaneous Accounts Receivable	\$ 5,114
_____	_____
_____	_____
Total Miscellaneous Current and Accrued Liabilities	\$ <u>5,114</u>

**UNAMORTIZED DEBT DISCOUNT AND EXPENSE AND PREMIUM ON DEBT
ACCOUNTS 181 AND 251**

Report the net discount and expense or premium separately for each security issue.

DESCRIPTION (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
UNAMORTIZED DEBT DISCOUNT AND EXPENSE (Account 181): _____ _____ _____	\$ _____ _____ _____	\$ _____ _____ _____
Total Unamortized Debt Discount and Expense	\$ <u>0</u>	\$ <u>0</u>
UNAMORTIZED PREMIUM ON DEBT (Account 251): _____ _____ _____	\$ _____ _____ _____	\$ _____ _____ _____
Total Unamortized Premium on Debt	\$ <u>0</u>	\$ <u>0</u>

**EXTRAORDINARY PROPERTY LOSSES
ACCOUNT 182**

Report each item separately.

DESCRIPTION (a)	TOTAL (b)
_____ _____ _____	\$ _____ _____ _____
Total Extraordinary Property Losses	\$ <u>0</u>

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**MISCELLANEOUS DEFERRED DEBITS
ACCOUNT 186**

DESCRIPTION - Provide itemized listing (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
DEFERRED RATE CASE EXPENSE (Class A Utilities: Account 186.1) _____ _____ _____	\$ _____ _____ _____	\$ _____ _____ _____
Total Deferred Rate Case Expense	\$ <u>0</u>	\$ <u>0</u>
OTHER DEFERRED DEBITS (Class A Utilities: Account 186.2): _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____
Total Other Deferred Debits	\$ <u>0</u>	\$ <u>0</u>
REGULATORY ASSETS (Class A Utilities: Account. 186.3): _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____
Total Regulatory Assets	\$ <u>0</u>	\$ <u>0</u>
TOTAL MISCELLANEOUS DEFERRED DEBITS	\$ <u>0</u>	\$ <u>0</u>

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**CAPITAL STOCK
ACCOUNTS 201 AND 204***

DESCRIPTION (a)	RATE (b)	TOTAL (c)
COMMON STOCK		
Par or stated value per share	1	\$ 100
Shares authorized		1,000
Shares issued and outstanding		100
Total par value of stock issued		\$ 100
Dividends declared per share for year	750	\$ 75,000
PREFERRED STOCK		
Par or stated value per share	%	\$
Shares authorized		
Shares issued and outstanding		
Total par value of stock issued	%	\$
Dividends declared per share for year	%	\$

* Account 204 not applicable for Class B utilities.

**BONDS
ACCOUNT 221**

DESCRIPTION OF OBLIGATION (INCLUDING DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	ANNUAL RATE (b)	FIXED OR VARIABLE * (c)	
	%		\$
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total			\$ 0

* For variable rate obligations, provide the basis for the rate. (i.e.. prime + 2%, etc.)

STATEMENT OF RETAINED EARNINGS

- Dividends should be shown for each class and series of capital stock. Show amounts as dividends per share.
- Show separately the state and federal income tax effect of items shown in Account No. 439.

ACCT. NO. (a)	DESCRIPTION (b)	AMOUNTS (c)
215	Unappropriated Retained Earnings: Balance Beginning of Year	\$ 540,401
439	Changes to Account: Adjustments to Retained Earnings (requires Commission approval prior to use): Credits: _____	\$ _____
	Total Credits:	\$ 0
	Debits: _____	\$ _____
	Total Debits:	\$ 0
435	Balance Transferred from Income	\$ 104,327
436	Appropriations of Retained Earnings: _____	_____
	Total Appropriations of Retained Earnings	\$ 0
437	Dividends Declared: Preferred Stock Dividends Declared _____	_____
438	Common Stock Dividends Declared _____	75,000
	Total Dividends Declared	\$ 75,000
215	Year end Balance	\$ 569,728
214	Appropriated Retained Earnings (state balance and purpose of each appropriated amount at year end): _____	_____
214	Total Appropriated Retained Earnings	\$ 0
Total Retained Earnings		\$ 569,728
Notes to Statement of Retained Earnings:		

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**ADVANCES FROM ASSOCIATED COMPANIES
ACCOUNT 223**

Report each advance separately.

DESCRIPTION (a)	TOTAL (b)
_____	\$ _____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
Total	\$ <u>0</u>

**OTHER LONG-TERM DEBT
ACCOUNT 224**

DESCRIPTION OF OBLIGATION (INCLUDING DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	ANNUAL RATE (b)	FIXED OR VARIABLE * (c)	
_____	%	_____	\$ _____
_____	%	_____	_____
_____	%	_____	_____
_____	%	_____	_____
_____	%	_____	_____
_____	%	_____	_____
_____	%	_____	_____
_____	%	_____	_____
_____	%	_____	_____
_____	%	_____	_____
_____	%	_____	_____
_____	%	_____	_____
_____	%	_____	_____
_____	%	_____	_____
Total			\$ <u>0</u>

* For variable rate obligations, provide the basis for the rate. (i.e.. prime + 2%, etc.)

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**NOTES PAYABLE
ACCOUNTS 232 AND 234**

DESCRIPTION OF OBLIGATION (INCLUDING DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	ANNUAL RATE (b)	FIXED OR VARIABLE * (c)	
NOTES PAYABLE (Account 232):			\$ _____
_____	%	_____	_____
_____	%	_____	_____
_____	%	_____	_____
_____	%	_____	_____
_____	%	_____	_____
_____	%	_____	_____
_____	%	_____	_____
_____	%	_____	_____
Total Account 232			\$ <u>0</u>
NOTES PAYABLE TO ASSOC. COMPANIES (Account 234):			\$ _____
_____	%	_____	_____
_____	%	_____	_____
_____	%	_____	_____
_____	%	_____	_____
_____	%	_____	_____
_____	%	_____	_____
_____	%	_____	_____
Total Account 234			\$ <u>0</u>

* For variable rate obligations, provide the basis for the rate. (i.e.. prime + 2%, etc.)

**ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES
ACCOUNT 233**

Report each account payable separately.

DESCRIPTION (a)	TOTAL (b)
_____	\$ _____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
Total	\$ <u>0</u>

**ACCRUED INTEREST AND EXPENSE
ACCOUNTS 237 AND 427**

DESCRIPTION OF DEBIT (a)	BALANCE BEGINNING OF YEAR (b)	INTEREST ACCRUED DURING YEAR		INTEREST PAID DURING YEAR (e)	BALANCE END OF YEAR (f)
		ACCT. DEBIT (c)	AMOUNT (d)		
ACCOUNT NO. 237.1 - Accrued Interest on Long Term Debt	\$ _____		\$ _____	\$ _____	\$ _____
_____	_____		_____	_____	_____
_____	_____		_____	_____	_____
_____	_____		_____	_____	_____
Total Account 237.1	\$ <u>0</u>		\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
ACCOUNT NO. 237.2 - Accrued Interest on Other Liabilities					
Customer Deposits	\$ <u>3,761</u>	427	\$ <u>3,842</u>	\$ <u>3,657</u>	\$ <u>3,946</u>
_____	_____		_____	_____	_____
_____	_____		_____	_____	_____
Total Account 237.2	\$ <u>3,761</u>		\$ <u>3,842</u>	\$ <u>3,657</u>	\$ <u>3,946</u>
Total Account 237 (1)	\$ <u>3,761</u>		\$ <u>3,842</u>	\$ <u>3,657</u>	\$ <u>3,946</u>
INTEREST EXPENSED:					
Total accrual Account 237		237	\$ <u>3,842</u>		
Less Capitalized Interest Portion of AFUDC:					

Net Interest Expensed to Account No. 427 (2)			\$ <u>3,842</u>		

(1) Must agree to F-2 (a), Beginning and Ending Balance of Accrued Interest.
(2) Must agree to F-3 (c), Current Year Interest Expense

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UTILITY NAME Peoples Water Service Company of Florida, Inc.

**MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES
ACCOUNT 241**

DESCRIPTION - Provide itemized listing (a)	BALANCE END OF YEAR (b)
Accrued Expenses	\$ 66,579
Total Miscellaneous Current and Accrued Liabilities	\$ 66,579

**ADVANCES FOR CONSTRUCTION
ACCOUNT 252**

NAME OF PAYOR * (a)	BALANCE BEGINNING OF YEAR (b)	DEBITS		CREDITS (e)	BALANCE END OF YEAR (f)
		ACCT. DEBIT (c)	AMOUNT (d)		
	\$			\$	
Total	\$ 0			\$ 0	\$ 0

* Report advances separately by reporting group, designating water or wastewater in column (a).

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**OTHER DEFERRED CREDITS
ACCOUNT 253**

DESCRIPTION - Provide itemized listing (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
REGULATORY LIABILITIES (Class A Utilities: Account 253.1):		
_____	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Regulatory Liabilities	\$ <u>_____</u>	\$ <u>_____</u>
OTHER DEFERRED LIABILITIES (Class A Utilities: Account 253.2):		
_____	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Other Deferred Liabilities	\$ <u>_____</u>	\$ <u>_____</u>
TOTAL OTHER DEFERRED CREDITS	\$ <u>_____</u>	\$ <u>_____</u>

**CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 271**

DESCRIPTION (a)	WATER (W-7) (b)	W & WW OTHER WASTEWATER THAN SYSTEM		TOTAL (e)
		(S-7) (c)	REPORTING (d)	
Balance first of year	\$ <u>3,824,525</u>	\$ <u>0</u>	\$ _____	\$ <u>3,824,525</u>
Add credits during year:	\$ <u>430,702</u>	\$ <u>0</u>	\$ _____	\$ <u>430,702</u>
Less debit charged during the year	\$ <u>0</u>	\$ <u>0</u>	\$ _____	\$ <u>0</u>
Total Contribution In Aid of Construction	\$ <u><u>4,255,227</u></u>	\$ <u><u>0</u></u>	\$ <u><u>0</u></u>	\$ <u><u>4,255,227</u></u>

**ACCUMULATED AMORTIZATION OF CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 272**

DESCRIPTION (a)	WATER (W-8(a)) (b)	W & WW OTHER WASTEWATER THAN SYSTEM		TOTAL (e)
		(S-8(a)) (c)	REPORTING (d)	
Balance first of year	\$ <u>1,465,448</u>	\$ <u>0</u>	\$ _____	\$ <u>1,465,448</u>
Debits during the year:	\$ <u>95,500</u>	\$ <u>0</u>	\$ _____	\$ <u>95,500</u>
Credits during the year	\$ <u>0</u>	\$ <u>0</u>	\$ _____	\$ <u>0</u>
Total Accumulated Amortization of Contributions In Aid of Construction	\$ <u><u>1,560,948</u></u>	\$ <u><u>0</u></u>	\$ <u><u>0</u></u>	\$ <u><u>1,560,948</u></u>

RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES (UTILITY OPERATIONS)

- The reconciliation should include the same detail as furnished on Schedule M-1 of the federal tax return for the year. The reconciliation shall be submitted even though there is no taxable income for the year. Descriptions should clearly indicate the nature of each reconciling amount and show the computations of all tax accruals.
- If the utility is a member of a group which files a consolidated federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating intercompany amounts to be eliminated in such consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignments or sharing of the consolidated tax among the group members.

DESCRIPTION (a)	REF. NO. (b)	AMOUNT (c)
Net income for the year	F-3(c)	\$ 104,327
Reconciling items for the year:		
Taxable income not reported on books:		
_____		_____
_____		_____
_____		_____
_____		_____
Deductions recorded on books not deducted for return:		
50% of Business Meals		484
Federal Income Tax		81,745
_____		_____
_____		_____
Income recorded on books not included in return:		
_____		_____
_____		_____
_____		_____
_____		_____
Deduction on return not charged against book income:		
_____		_____
_____		_____
_____		_____
_____		_____
Federal tax net income		\$ 186,556
Computation of tax :		
	34% x \$186,556	\$ 63,429
	Add (Deduct) adjustments not previously reflected	18,397
		\$ 81,826
	Unreconciled Difference	(81)
		\$ 81,745

WATER OPERATION SECTION

UTILITY NAME:

Peoples Water Service Company of Florida, Inc.

YEAR OF REPORT

December 31, 2008

WATER LISTING OF SYSTEM GROUPS

List below the name of each reporting system and its certificate number. Those systems which have been consolidated under the same tariff should be assigned a group number. Each individual system which has not been consolidated should be assigned its own group number.

The water financial schedules (W-2 through W-10) should be filed for the group in total.

The water engineering schedules (W-11 through W-14) must be filed for each system in the group.

All of the following water pages (W-2 through W-14) should be completed for each group and arranged by group number.

SYSTEM NAME / COUNTY	CERTIFICATE NUMBER	GROUP NUMBER
Peoples Water Service Company of Florida, Inc./Escambia County	543-W	WU 671

UTILITY NAME:

Peoples Water Service Company of Florida, Inc.

YEAR OF REPORT December 31, 2008
--

SYSTEM NAME / COUNTY :

Escambia County

SCHEDULE OF YEAR END WATER RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	WATER UTILITY (d)
101	Utility Plant In Service	W-4(b)	\$ 12,773,008
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	W-6(b)	6,532,450
110	Accumulated Amortization	F-8	
271	Contributions in Aid of Construction	W-7	4,255,227
252	Advances for Construction	F-20	
Subtotal			\$ 1,985,331
272	Add:		
	Accumulated Amortization of Contributions in Aid of Construction	W-8(a)	\$ 1,560,948
Subtotal			\$ 3,546,279
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		(97,997)
	Other (Specify):		
WATER RATE BASE			\$ 3,448,282
WATER OPERATING INCOME		W-3	\$ 76,433
ACHIEVED RATE OF RETURN (Water Operating Income / Water Rate Base)			2.22%

NOTES : (1) Estimate based on the methodology used in the last rate proceeding.

(2) Include only those Acquisition Adjustments that have been approved by the Commission.

(3) Calculation consistent with last rate proceeding.

In absence of a rate proceeding, Class A utilities will use the Balance Sheet Method and Class B Utilities will use the One-eighth Operating and Maintenance Expense Method.

W-2
GROUP _____

UTILITY NAME: Peoples Water Service Company of Florida, Inc.

YEAR OF REPORT
December 31, 2008

SYSTEM NAME / COUNTY : Escambia County

WATER OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	CURRENT YEAR (d)
	UTILITY OPERATING INCOME		
400	Operating Revenues	W-9	\$ 3,048,381
469	Less: Guaranteed Revenue and AFPI	W-9	
	Net Operating Revenues		\$ 3,048,381
401	Operating Expenses	W-10(a)	\$ 2,223,816
403	Depreciation Expense	W-6(a)	466,949
	Less: Amortization of CIAC	W-8(a)	95,500
	Net Depreciation Expense		\$ 371,449
406	Amortization of Utility Plant Acquisition Adjustment	F-7	
407	Amortization Expense (Other than CIAC)	F-8	
408.10	Taxes Other Than Income		
	Utility Regulatory Assessment Fee		137,177
408.11	Property Taxes		113,871
408.12	Payroll Taxes		51,832
408.13	Other Taxes and Licenses		981
408	Total Taxes Other Than Income		\$ 303,861
409.1	Income Taxes		74,622
410.10	Deferred Federal Income Taxes		
410.11	Deferred State Income Taxes		
411.10	Provision for Deferred Income Taxes - Credit		
412.10	Investment Tax Credits Deferred to Future Periods		
412.11	Investment Tax Credits Restored to Operating Income		
	Utility Operating Expenses		\$ 2,973,748
	Utility Operating Income		\$ 74,633
469	Add Back:		
	Guaranteed Revenue (and AFPI)	W-9	\$
413	Income From Utility Plant Leased to Others		1,800
414	Gains (losses) From Disposition of Utility Property		
420	Allowance for Funds Used During Construction		
	Total Utility Operating Income		\$ 76,433

W-3
GROUP _____

UTILITY NAME:

Peoples Water Service Company of Florida, Inc.

YEAR OF REPORT
December 31, 2008

SYSTEM NAME / COUNTY :

Escambia County

WATER UTILITY PLANT ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	CURRENT YEAR (f)
301	Organization	\$	\$	\$	\$
302	Franchises				
303	Land and Land Rights	104,055			104,055
304	Structures and Improvements	398,728	22,367		421,095
305	Collecting and Impounding Reservoirs				
306	Lake, River and Other Intakes				
307	Wells and Springs	538,863			538,863
308	Infiltration Galleries and Tunnels				
309	Supply Mains				
310	Power Generation Equipment				
311	Pumping Equipment	726,253	125,698	7,674	844,277
320	Water Treatment Equipment	678,514	1,443	116,864	563,093
330	Distribution Reservoirs and Standpipes	1,199,402			1,199,402
331	Transmission and Distribution Mains	3,930,064	250,743	5,129	4,175,678
333	Services	1,846,814	99,027		1,945,841
334	Meters and Meter Installations	1,440,416	204,303	30,405	1,614,314
335	Hydrants	665,546	51,666		717,212
336	Backflow Prevention Devices	88,824		72,956	15,868
339	Other Plant Miscellaneous Equipment	678			678
340	Office Furniture and Equipment	110,807	8,917	8,350	111,374
341	Transportation Equipment	276,006	36,879	41,676	271,209
342	Stores Equipment	2,798			2,798
343	Tools, Shop and Garage Equipment	12,757	1,021	2,838	10,940
344	Laboratory Equipment				
345	Power Operated Equipment	220,565	13,927	27,706	206,786
346	Communication Equipment	43,007	6,278	19,760	29,525
347	Miscellaneous Equipment				
348	Other Tangible Plant				
	TOTAL WATER PLANT	\$ 12,284,097	\$ 822,269	\$ 333,358	\$ 12,773,008

NOTE: Any adjustments made to reclassify property from one account to another must be footnoted.

W-4(a)
GROUP _____

YEAR OF REPORT
December 31, 2008

UTILITY NAME: Peoples Water Service Company of Florida, Inc.

SYSTEM NAME / COUNTY : Escambia County

WATER UTILITY PLANT MATRIX

ACCT. NO. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 INTANGIBLE PLANT (d)	.2 SOURCE OF SUPPLY AND PUMPING PLANT (e)	.3 WATER TREATMENT PLANT (f)	.4 TRANSMISSION AND DISTRIBUTION PLANT (g)	.5 GENERAL PLANT (h)
301	Organization	\$ 0	\$	\$	\$	\$	\$
302	Franchises	0					
303	Land and Land Rights	104,055		23,446			80,609
304	Structures and Improvements	421,095		3,470	43,940	165,029	208,656
305	Collecting and Impounding Reservoirs	0					
306	Lake, River and Other Intakes	0					
307	Wells and Springs	538,863		538,863			
308	Infiltration Galleries and Tunnels	0					
309	Supply Mains	0					
310	Power Generation Equipment	0					
311	Pumping Equipment	844,277		844,277			
320	Water Treatment Equipment	563,093			563,093		
330	Distribution Reservoirs and Standpipes	1,199,402				1,199,402	
331	Transmission and Distribution Mains	4,175,678				4,175,678	
333	Services	1,945,841				1,945,841	
334	Meters and Meter Installations	1,614,314				1,614,314	
335	Hydrants	717,212				717,212	
336	Backflow Prevention Devices	15,868				15,868	
339	Other Plant Miscellaneous Equipment	678	678				
340	Office Furniture and Equipment	111,374					111,374
341	Transportation Equipment	271,209					271,209
342	Stores Equipment	2,798					2,798
343	Tools, Shop and Garage Equipment	10,940					10,940
344	Laboratory Equipment	0					
345	Power Operated Equipment	206,786					206,786
346	Communication Equipment	29,525					29,525
347	Miscellaneous Equipment	0					
348	Other Tangible Plant	0					
TOTAL WATER PLANT		\$ 12,773,008	\$ 678	\$ 1,410,056	\$ 607,033	\$ 9,833,344	\$ 921,897

W-4(b)
GROUP

UTILITY NAME:

Peoples Water Service Company of Florida, Inc.

YEAR OF REPORT

December 31, 2008

SYSTEM NAME / COUNTY :

Escambia County

BASIS FOR WATER DEPRECIATION CHARGES

ACCT. NO. (a)	ACCOUNT NAME (b)	AVERAGE SERVICE LIFE IN YEARS (c)	AVERAGE NET SALVAGE IN PERCENT (d)	DEPRECIATION RATE APPLIED IN PERCENT (100% - d) / c (e)
304	Structures and Improvements	20 - 40		5.0 - 2.5
305	Collecting and Impounding Reservoirs			
306	Lake, River and Other Intakes			
307	Wells and Springs	25		4.0
308	Infiltration Galleries and Tunnels			
309	Supply Mains			
310	Power Generation Equipment			
311	Pumping Equipment	5 - 20		20.0 - 5.0
320	Water Treatment Equipment	10 - 20		10.0 - 5.0
330	Distribution Reservoirs and Standpipes	15 & 50		6.7 - 2.0
331	Transmission and Distribution Mains	50		2.0
333	Services	25		4.0
334	Meters and Meter Installations	15		6.7
335	Hydrants	40		2.5
336	Backflow Prevention Devices	10		10.0
339	Other Plant Miscellaneous Equipment	20		5.0
340	Office Furniture and Equipment	4 & 10		25.0 - 10.0
341	Transportation Equipment	5		20.0
342	Stores Equipment	10		10.0
343	Tools, Shop and Garage Equipment	5		20.0
344	Laboratory Equipment	10		10.0
345	Power Operated Equipment	3 - 10		33.333 - 10.0
346	Communication Equipment	5		20.0
347	Miscellaneous Equipment	5 - 10		20.0 - 10.0
348	Other Tangible Plant			
Water Plant Composite Depreciation Rate *			None	

* If depreciation rates prescribed by this Commission are on a total composite basis, entries should be made on this line only.

W-5
GROUP _____

YEAR OF REPORT
December 31, 2008

UTILITY NAME: Peoples Water Service Company of Florida, Inc.

SYSTEM NAME / COUNTY: Escambia County

ANALYSIS OF ENTRIES IN WATER ACCUMULATED DEPRECIATION

ACCT. NO. (a)	ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCRUALS (d)	OTHER CREDITS * (e)	TOTAL CREDITS (d + e) (f)
304	Structures and Improvements	\$ 222,913	\$ 11,984		\$ 11,984
305	Collecting and Impounding Reservoirs				0
306	Lake, River and Other Intakes				0
307	Wells and Springs	463,276	10,244		10,244
308	Infiltration Galleries and Tunnels				0
309	Supply Mains				0
310	Power Generation Equipment				0
311	Pumping Equipment	523,720	36,382	135	36,517
320	Water Treatment Equipment	588,628	9,143		9,143
330	Distribution Reservoirs and Standpipes	384,342	58,404		58,404
331	Transmission and Distribution Mains	1,783,886	86,357	1,895	88,252
333	Services	1,267,248	53,517		53,517
334	Meters and Meter Installations	427,757	104,676	736	105,412
335	Hydrants	290,044	15,949		15,949
336	Backflow Prevention Devices	74,985	446		446
339	Other Plant Miscellaneous Equipment	678			0
340	Office Furniture and Equipment	55,556	14,086		14,086
341	Transportation Equipment	167,422	41,826	25,131	66,957
342	Stores Equipment	2,790			0
343	Tools, Shop and Garage Equipment	8,855	881		881
344	Laboratory Equipment				0
345	Power Operated Equipment	68,406	20,158	3,961	24,119
346	Communication Equipment	34,748	2,896		2,896
347	Miscellaneous Equipment				0
348	Other Tangible Plant				0
TOTAL WATER ACCUMULATED DEPRECIATION		\$ 6,365,254	466,949	31,858	498,807

* Specify nature of transaction
Use () to denote reversal entries.

W-6(a)
GROUP

UTILITY NAME:

Peoples Water Service Company of Florida, Inc.

SYSTEM NAME / COUNTY :

Escambia County

YEAR OF REPORT
December 31, 2008

ANALYSIS OF ENTRIES IN WATER ACCUMULATED DEPRECIATION (CONT'D)

ACCT. NO. (a)	ACCOUNT NAME (b)	PLANT RETIRED (g)	SALVAGE AND INSURANCE (h)	COST OF REMOVAL AND OTHER CHARGES (i)	TOTAL CHARGES (g-h+i) (j)	BALANCE AT END OF YEAR (c+f-j) (k)
304	Structures and Improvements	\$	\$	\$	\$ 0	\$ 234,897
305	Collecting and Impounding Reservoirs				0	0
306	Lake, River and Other Intakes				0	0
307	Wells and Springs				0	473,520
308	Infiltration Galleries and Tunnels				0	0
309	Supply Mains				0	0
310	Power Generation Equipment				0	0
311	Pumping Equipment	11,474			11,474	548,763
320	Water Treatment Equipment	116,864			116,864	480,907
330	Distribution Reservoirs and Standpipes				0	442,746
331	Transmission and Distribution Mains	4,460			4,460	1,867,678
333	Services				0	1,320,765
334	Meters and Meter Installations	27,352			27,352	505,817
335	Hydrants				0	305,993
336	Backflow Prevention Devices	72,956			72,956	2,475
339	Other Plant Miscellaneous Equipment				0	678
340	Office Furniture and Equipment	6,525			6,525	63,117
341	Transportation Equipment	41,676			41,676	192,703
342	Stores Equipment				0	2,790
343	Tools, Shop and Garage Equipment	2,838			2,838	6,898
344	Laboratory Equipment				0	0
345	Power Operated Equipment	27,706			27,706	64,819
346	Communication Equipment	19,760			19,760	17,884
347	Miscellaneous Equipment				0	0
348	Other Tangible Plant				0	0
TOTAL WATER ACCUMULATED DEPRECIATION		\$ 331,611	\$ 0	\$ 0	\$ 331,611	\$ 6,532,450

W-6(b)
GROUP _____

UTILITY NAME: Peoples Water Service Company of Florida, Inc.

YEAR OF REPORT
December 31, 2008

SYSTEM NAME / COUNTY : Escambia County

**CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 271**

DESCRIPTION (a)	REFERENCE (b)	WATER (c)
Balance first of year		\$ <u>3,824,525</u>
Add credits during year:		
Contributions received from Capacity, Main Extension and Customer Connection Charges	W-8(a)	\$ <u>58,189</u>
Contributions received from Developer or Contractor Agreements in cash or property	W-8(b)	<u>372,513</u>
Total Credits		\$ <u>430,702</u>
Less debits charged during the year (All debits charged during the year must be explained below)		\$ _____
Total Contributions In Aid of Construction		\$ <u>4,255,227</u>

If any prepaid CIAC has been collected, provide a supporting schedule showing how the amount is determined.

Explain all debits charged to Account 271 during the year below:

W-7
GROUP _____

UTILITY NAME:

Peoples Water Service Company of Florida, Inc.

YEAR OF REPORT December 31, 2008
--

SYSTEM NAME / COUNTY :

Escambia County

WATER CIAC SCHEDULE "A"

ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION RECEIVED FROM CAPACITY,
MAIN EXTENSION AND CUSTOMER CONNECTION CHARGES RECEIVED DURING THE YEAR

DESCRIPTION OF CHARGE (a)	NUMBER OF CONNECTIONS (b)	CHARGE PER CONNECTION (c)	AMOUNT (d)
5/8"	40	\$ 854	\$ 34,146
1"	5	1,149	5,745
1 1/2"	7	1,976	13,832
2"	1	4,466	4,466
			0
			0
			0
			0
Total Credits			\$ 58,189

ACCUMULATED AMORTIZATION OF WATER CONTRIBUTIONS IN AID OF CONSTRUCTION

DESCRIPTION (a)	WATER (b)
Balance first of year	\$ 1,465,448
Debits during the year:	
Accruals charged to Account 272	\$ 95,500
Other debits (specify) :	
_____	_____
Total debits	\$ 95,500
Credits during the year (specify) :	
_____	\$ _____
Total credits	\$ 0
Balance end of year	\$ 1,560,948

W-8(a)
GROUP _____

UTILITY NAME: Peoples Water Service Company of Florida, Inc.

YEAR OF REPORT
December 31, 2008

SYSTEM NAME / COUNTY : Escambia County

WATER CIAC SCHEDULE "B"
ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION
RECEIVED FROM ALL DEVELOPERS OR CONTRACTORS AGREEMENTS
WHICH CASH OR PROPERTY WAS RECEIVED DURING THE YEAR

DESCRIPTION (a)	INDICATE CASH OR PROPERTY (b)	AMOUNT (c)
<u>Autumn Meadows Subdivision</u>	<u>Property</u>	\$ <u>114,275</u>
<u>Lakewood Cottages</u>	<u>Property</u>	<u>109,684</u>
<u>Weatherstone Subdivision</u>	<u>Property</u>	<u>98,554</u>
<u>Pensacola Exchange</u>	<u>Cash</u>	<u>50,000</u>
Total Credits		\$ <u>372,513</u>

W-8(b)
GROUP _____

UTILITY NAME: Peoples Water Service Company of Florida, Inc.

SYSTEM NAME / COUNTY : Escambia County

WATER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER OF CUSTOMERS (d)	AMOUNT (e)
460	Water Sales: Unmetered Water Revenue	0	0	\$ 0
461.1	Metered Water Revenue: Sales to Residential Customers	8,263	8,249	2,028,099
461.2	Sales to Commercial Customers	475	462	276,451
461.3	Sales to Industrial Customers			0
461.4	Sales to Public Authorities	25	26	48,602
461.5	Sales Multiple Family Dwellings	3,108	3,025	560,432
Total Metered Sales		<u>11,871</u>	<u>11,762</u>	\$ <u>2,913,584</u>
462.1	Fire Protection Revenue: Public Fire Protection			
462.2	Private Fire Protection	26	35	0
Total Fire Protection Revenue		<u>26</u>	<u>35</u>	\$ <u>0</u>
464	Other Sales To Public Authorities			
465	Sales To Irrigation Customers	55	61	13,377
466	Sales For Resale			
467	Interdepartmental Sales			
Total Water Sales		<u>11,952</u>	<u>11,858</u>	\$ <u>2,926,961</u>
469	Other Water Revenues: Guaranteed Revenues (Including Allowance for Funds Prudently Invested or AFPI)			
470	Forfeited Discounts			
471	Miscellaneous Service Revenues/ Reconnects \$108,460 + Backflows \$12,960			121,420
472	Rents From Water Property			
473	Interdepartmental Rents			
474	Other Water Revenues			
Total Other Water Revenues				\$ <u>121,420</u>
Total Water Operating Revenues				\$ <u>3,048,381</u>

* Customer is defined by Rule 25-30.210(1), Florida Administrative Code.

UTILITY NAME:

Peoples Water Service Company of Florida, Inc.

YEAR OF REPORT December 31, 2008
--

SYSTEM NAME / COUNTY :

Escambia County

WATER UTILITY EXPENSE ACCOUNT MATRIX

ACCT. NO. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 SOURCE OF SUPPLY AND EXPENSES - OPERATIONS (d)	.2 SOURCE OF SUPPLY AND EXPENSES - MAINTENANCE (e)
601	Salaries and Wages - Employees	\$ 543,357	\$ 50,256	\$ 4,263
603	Salaries and Wages - Officers, Directors and Majority Stockholders	0		
604	Employee Pensions and Benefits	167,931		
610	Purchased Water	0		
615	Purchased Power	157,822	157,822	
616	Fuel for Power Production	419	419	
618	Chemicals	42,026		
620	Materials and Supplies	308,774		15,131
631	Contractual Services-Engineering	1,846		
632	Contractual Services - Accounting	500		
633	Contractual Services - Legal	16,657		
634	Contractual Services - Mgt. Fees	541,449		
635	Contractual Services - Testing	28,006		
636	Contractual Services - Other	178,367		
641	Rental of Building/Real Property	0		
642	Rental of Equipment	0		
650	Transportation Expenses	48,885		
656	Insurance - Vehicle	25,276		
657	Insurance - General Liability	38,179		
658	Insurance - Workman's Comp.	21,839		
659	Insurance - Other	22,782		
660	Advertising Expense	0		
666	Regulatory Commission Expenses - Amortization of Rate Case Expense	0		
667	Regulatory Commission Exp.-Other	0		
668	Water Resource Conservation Exp.	0		
670	Bad Debt Expense	20,197		
675	Miscellaneous Expenses	59,504		
Total Water Utility Expenses		\$ 2,223,816	\$ 208,497	\$ 19,394

W-10(a)
GROUP _____

UTILITY NAME:

Peoples Water Service Company of Florida, Inc.

YEAR OF REPORT December 31, 2008
--

SYSTEM NAME / COUNTY :

Escambia County

WATER UTILITY EXPENSE ACCOUNT MATRIX

.3 WATER TREATMENT EXPENSES - OPERATIONS (f)	.4 WATER TREATMENT EXPENSES - MAINTENANCE (g)	.5 TRANSMISSION & DISTRIBUTION EXPENSES - OPERATIONS (h)	.6 TRANSMISSION & DISTRIBUTION EXPENSES - MAINTENANCE (i)	.7 CUSTOMER ACCOUNTS EXPENSE (j)	.8 ADMIN. & GENERAL EXPENSES (k)
\$ 32,689	\$	\$ 59,965	\$	\$ 396,184	\$
					167,931
42,026					
	27,700	6,943	242,654	16,346	1,846
					500
					16,657
28,006					541,449
				178,367	
					48,885
					25,276
					38,179
					21,839
					22,782
				20,197	
					59,504
<u>\$ 102,721</u>	<u>\$ 27,700</u>	<u>\$ 66,908</u>	<u>\$ 242,654</u>	<u>\$ 611,094</u>	<u>\$ 944,848</u>

W-10(b)
GROUP _____

UTILITY NAME:

Peoples Water Service Company of Florida, Inc.

YEAR OF REPORT December 31, 2008
--

SYSTEM NAME / COUNTY :

Escambia County

PUMPING AND PURCHASED WATER STATISTICS

MONTH (a)	WATER PURCHASED FOR RESALE (Omit 000's) (b)	FINISHED WATER PUMPED FROM WELLS (Omit 000's) (c)	WATER USED FOR LINE FLUSHING, FIGHTING FIRES, ETC. (d)	TOTAL WATER PUMPED AND PURCHASED (Omit 000's) [(b)+(c)-(d)] (e)	WATER SOLD TO CUSTOMERS (Omit 000's) (f)
January	0	72,919	7,631	65,288	56,428
February	0	66,484	7,710	58,774	56,483
March	0	76,361	7,265	69,096	52,857
April	0	76,846	8,638	68,208	53,960
May	0	86,545	7,342	79,203	63,606
June	0	87,874	6,683	81,191	67,129
July	0	77,974	7,554	70,420	77,886
August	0	74,172	5,368	68,804	71,188
September	0	74,025	7,402	66,623	60,316
October	0	74,748	5,655	69,093	67,349
November	0	69,558	4,752	64,806	64,321
December	0	62,218	3,331	58,887	65,270
Total for Year	0	899,724	79,331	820,393	756,793

If water is purchased for resale, indicate the following:

Vendor _____

Point of delivery _____

If water is sold to other water utilities for redistribution, list names of such utilities below:

SOURCE OF SUPPLY

List for each source of supply:	CAPACITY OF WELL	GALLONS PER DAY FROM SOURCE	TYPE OF SOURCE
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

W-11

GROUP _____

SYSTEM _____

UTILITY NAME: Peoples Water Service Company of Florida, Inc.

SYSTEM NAME / COUNTY : Escambia County

WATER TREATMENT PLANT INFORMATION

Provide a separate sheet for each water treatment facility

Permitted Capacity of Plant (GPD):	_____
Location of measurement of capacity (i.e. Wellhead, Storage Tank):	_____
Type of treatment (reverse osmosis, sedimentation, chemical, aerated, etc.):	_____
LIME TREATMENT	
Unit rating (i.e., GPM, pounds per gallon): _____	Manufacturer: _____
FILTRATION	
Type and size of area: _____	
Pressure (in square feet): _____	Manufacturer: _____
Gravity (in GPM/square feet): _____	Manufacturer: _____

See Detail W-12 (b) through W-12 (f)

W-12 (a)
GROUP _____
SYSTEM _____

UTILITY NAME: Peoples Water Service Company of Florida, Inc.

YEAR OF REPORT
December 31, 2008

SYSTEM NAME / COUNTY : WELL SITE No. 3 Escambia County

WATER TREATMENT PLANT INFORMATION

Provide a separate sheet for each water treatment facility

Permitted Capacity of Plant (GPD):	<u>1,440,000 GPD</u>
Location of measurement of capacity (i.e. Wellhead, Storage Tank):	<u>Wellhead</u>
Type of treatment (reverse osmosis, sedimentation, chemical, aerated, etc.):	<u>Primary Treatment and Corrosion Control</u>
LIME TREATMENT	
Unit rating (i.e., GPM, pounds per gallon): <u>25.0 - 33.5 PPM</u>	Manufacturer: <u>Cheney Lime & Cement Company</u>
FILTRATION	
Type and size of area: <u>Granular Activated Carbon and 12 ft x 12.75 ft Area</u>	
Pressure (in square feet): <u>0.868 lb/Sq Ft</u>	Manufacturer: <u>Calgon Carbon Corporation</u>
Gravity (in GPM/square feet): <u>N/A</u>	Manufacturer: <u>N/A</u>

W-12 (b)
GROUP _____
SYSTEM _____

UTILITY NAME: Peoples Water Service Company of Florida, Inc.

YEAR OF REPORT
December 31, 2008

SYSTEM NAME / COUNTY : WELL SITE No. 4 Escambia County

WATER TREATMENT PLANT INFORMATION

Provide a separate sheet for each water treatment facility

Permitted Capacity of Plant (GPD):	<u>1,440,000 GPD</u>
Location of measurement of capacity (i.e. Wellhead, Storage Tank):	<u>Wellhead</u>
Type of treatment (reverse osmosis, sedimentation, chemical, aerated, etc.):	<u>Primary Treatment and Corrosion Control</u>
LIME TREATMENT	
Unit rating (i.e., GPM, pounds per gallon): <u>25.0 - 33.5 PPM</u>	Manufacturer: <u>Cheney Lime & Cement Company</u>
FILTRATION	
Type and size of area: <u>N/A</u>	
Pressure (in square feet): <u>N/A</u>	Manufacturer: <u>N/A</u>
Gravity (in GPM/square feet): <u>N/A</u>	Manufacturer: <u>N/A</u>

W-12 (c)
GROUP _____
SYSTEM _____

UTILITY NAME: Peoples Water Service Company of Florida, Inc.

YEAR OF REPORT
December 31, 2008

SYSTEM NAME / COUNTY : WELL SITE No. 5 Escambia County

WATER TREATMENT PLANT INFORMATION

Provide a separate sheet for each water treatment facility

Permitted Capacity of Plant (GPD):	<u>1,440,000 GPD</u>
Location of measurement of capacity (i.e. Wellhead, Storage Tank):	<u>Wellhead</u>
Type of treatment (reverse osmosis, sedimentation, chemical, aerated, etc.):	<u>Primary Treatment and Corrosion Control</u>
LIME TREATMENT	
Unit rating (i.e., GPM, pounds per gallon): <u>25.0 - 33.5 PPM</u>	Manufacturer: <u>Cheney Lime & Cement Company</u>
FILTRATION	
Type and size of area: <u>Granular Activated Carbon and 10 ft x 12.75 ft Area</u>	
Pressure (in square feet): <u>0.868 lb/Sq Ft</u>	Manufacturer: <u>Calgon Carbon Corporation</u>
Gravity (in GPM/square feet): <u>N/A</u>	Manufacturer: <u>N/A</u>

W-12 (d)
GROUP _____
SYSTEM _____

UTILITY NAME: Peoples Water Service Company of Florida, Inc.

YEAR OF REPORT
December 31, 2008

SYSTEM NAME / COUNTY : WELL SITE No. 8 Escambia County

WATER TREATMENT PLANT INFORMATION

Provide a separate sheet for each water treatment facility

Permitted Capacity of Plant (GPD):	<u>1,036,800 GPD</u>
Location of measurement of capacity (i.e. Wellhead, Storage Tank):	<u>Wellhead</u>
Type of treatment (reverse osmosis, sedimentation, chemical, aerated, etc.):	<u>Primary Treatment and Corrosion Control</u>
LIME TREATMENT	
Unit rating (i.e., GPM, pounds per gallon): <u>25.0 - 33.5 PPM</u>	Manufacturer: <u>Cheney Lime & Cement Company</u>
FILTRATION	
Type and size of area: <u>N/A</u>	
Pressure (in square feet): <u>N/A</u>	Manufacturer: <u>N/A</u>
Gravity (in GPM/square feet): <u>N/A</u>	Manufacturer: <u>N/A</u>

W-12 (e)
GROUP _____
SYSTEM _____

UTILITY NAME: Peoples Water Service Company of Florida, Inc.

YEAR OF REPORT
December 31, 2008

SYSTEM NAME / COUNTY : WELL SITE No. 9 Escambia County

WATER TREATMENT PLANT INFORMATION
Provide a separate sheet for each water treatment facility

Permitted Capacity of Plant (GPD):	<u>1,440,000 GPD</u>
Location of measurement of capacity (i.e. Wellhead, Storage Tank):	<u>Wellhead</u>
Type of treatment (reverse osmosis, sedimentation, chemical, aerated, etc.):	<u>Primary Treatment and Corrosion Control</u>
LIME TREATMENT	
Unit rating (i.e., GPM, pounds per gallon): <u>25.0 - 33.5 PPM</u>	Manufacturer: <u>Chency Lime & Cement Company</u>
FILTRATION	
Type and size of area: <u>N/A</u>	
Pressure (in square feet): <u>N/A</u>	Manufacturer: <u>N/A</u>
Gravity (in GPM/square feet): <u>N/A</u>	Manufacturer: <u>N/A</u>

W-12 (f)
GROUP _____
SYSTEM _____

UTILITY NAME: Peoples Water Service Company of Florida, Inc.

YEAR OF REPORT
December 31, 2008

SYSTEM NAME / COUNTY Escambia County

CALCULATION OF THE WATER SYSTEM METER EQUIVALENTS

METER SIZE (a)	TYPE OF METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF METERS (d)	TOTAL NUMBER OF METER EQUIVALENTS (c x d) (e)
All Residential		1.0		
5/8"	Displacement	1.0	8,588	8,588
3/4"	Displacement	1.5		
1"	Displacement	2.5	328	820
1 1/2"	Displacement or Turbine	5.0	103	515
2"	Displacement, Compound or Turbine	8.0	41	328
3"	Displacement	15.0	4	60
3"	Compound	16.0		
3"	Turbine	17.5		
4"	Displacement or Compound	25.0	11	275
4"	Turbine	30.0		
6"	Displacement or Compound	50.0	25	1,250
6"	Turbine	62.5		
8"	Compound	80.0		
8"	Turbine	90.0	7	630
10"	Compound	115.0		
10"	Turbine	145.0		
12"	Turbine	215.0		
Total Water System Meter Equivalents				12,466

CALCULATION OF THE WATER SYSTEM EQUIVALENT RESIDENTIAL CONNECTIONS

Provide a calculation used to determine the value of one water equivalent residential connection (ERC).

Use one of the following methods:

- (a) If actual flow data are available from the preceding 12 months, divide the total annual single family residence (SFR) gallons sold by the average number of single family residence customers for the same period and divide the result by 365 days.
- (b) If no historical flow data are available, use:
 $ERC = (\text{Total SFR gallons sold (Omit 000)} / 365 \text{ days} / 350 \text{ gallons per day})$

<p>ERC Calculation:</p> <p style="text-align: center;">756,793 GAL Sold/365 Days/350 GPD = <u>5.924</u> ERC</p>

W-13
GROUP _____
SYSTEM _____

UTILITY NAME: Peoples Water Service Company of Florida, Inc.

YEAR OF REPORT
December 31, 2008

SYSTEM NAME / COUNTY : Escambia County

OTHER WATER SYSTEM INFORMATION

Furnish information below for each system. A separate page should be supplied where necessary.

1. Present ERCs * the system can efficiently serve. 19,419 * Based on NWFWD max gal/day
2. Maximum number of ERCs * which can be served. 19,419
3. Present system connection capacity (in ERCs *) using existing lines. 15,000 (guesstimate)
4. Future connection capacity (in ERCs *) upon service area buildout. 25,000 (guesstimate)
5. Estimated annual increase in ERCs *. 200 (guesstimate)
6. Is the utility required to have fire flow capacity?
If so, how much capacity is required? Yes
ISO Minimum
7. Attach a description of the fire fighting facilities.
8. Describe any plans and estimated completion dates for any enlargements or improvements of this system:

9. When did the company last file a capacity analysis report with the DEP? N/A
10. If the present system does not meet the requirements of DEP rules:
 - a. Attach a description of the plant upgrade necessary to meet the DEP rules.
 - b. Have these plans been approved by DEP? N/A
 - c. When will construction begin? N/A
 - d. Attach plans for funding the required upgrading.
 - e. Is this system under any Consent Order with DEP? No
11. Department of Environmental Protection ID # 1170527
12. Water Management District Consumptive Use Permit # 830018
 - a. Is the system in compliance with the requirements of the CUP? Yes
 - b. If not, what are the utility's plans to gain compliance? N/A

* An ERC is determined based on the calculation on the bottom of Page W-13.

W-14
GROUP _____
SYSTEM _____

WASTEWATER OPERATION SECTION

This section is Not Applicable to our Corporation

**Reconciliation of Revenue to
Regulatory Assessment Fee Revenue
Water Operations
Class A & B**

Company:
For the Year Ended December 31, 2008

(a)	(b)	(c)	(d)
Accounts	Gross Water Revenues Per Sch. W-9	Gross Water Revenues Per RAF Return	Difference (b) - (c)
Gross Revenue:			
Unmetered Water Revenues (460)	\$ 0	\$ 0	\$
Total Metered Sales (461.1 - 461.5)	2,913,584	2,913,584	
Total Fire Protection Revenue (462.1 - 462.2)	0	0	
Other Sales to Public Authorities (464)	0	0	
Sales to Irrigation Customers (465)	13,377	13,377	
Sales for Resale (466)	0	0	
Interdepartmental Sales (467)	0	0	
Total Other Water Revenues (469 - 474)	121,420	121,420	
Total Water Operating Revenue	\$ 3,048,381	\$ 3,048,381	\$
LESS: Expense for Purchased Water from FPSC-Regulated Utility	0	0	
Net Water Operating Revenues	\$ 3,048,381	\$ 3,048,381	\$

Explanations:

Instructions:

For the current year, reconcile the gross water revenues reported on Schedule W-9 with the gross water revenues reported on the company's regulatory assessment fee return. Explain any differences reported in column (d).